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CENTRAL INTELLIGENCE BULLETIN



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DAILY BRIEF

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I. THE COMMUNIST BLOC

ok *USSR--Summit talks on Middle East: Khrushchev's 28 July letters to the three Western heads of government, by endorsing Premier de Gaulle's views on a summit meeting, seek to force American and British acceptance of the original Soviet terms for a five-power summit conference. Bluntly accusing Washington and London of trying to frustrate any heads-of-government meeting, Khrushchev notes that De Gaulle's suggestion for a conference in Europe of the "chiefs of government of the principal interested powers" outside the United Nations' framework "does not differ from the proposal of the Soviet Government on this question."

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ok

Iran: Military circles reportedly view the posting of troops, tanks, and artillery around the palace as a sign of the Shah's fear and weakness, which may have an adverse effect in the army. [REDACTED]

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ok

Singapore: Prospects for a moderate government following Singapore's achievement of internal self-government next year were dealt a severe blow by the left-wing victory on 26 July in a city council by-election. The Communist-influenced People's Action party won over the combined opposition of Singapore's two largest moderate parties. [REDACTED]

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Khrushchev Exploits De Gaulle's Position on Summit Talks

Khrushchev's latest round of notes, calling for an immediate conference of the heads of government of the Big Four plus India and UN Secretary General Hammarskjold, reflects Moscow's confidence that it can exploit Premier de Gaulle's views on a summit conference to force the United States and Britain to accept a meeting substantially on Soviet terms. The Soviet leader now endorses De Gaulle's proposals for a conference in Europe of the principal powers, to be held outside the United Nations' framework, and thus backs away from his 23 July position which ostensibly accepted American and British suggestions for a meeting within the context of the Security Council. Khrushchev, however, accuses the United States and Britain of abandoning their earlier proposals for a special session of the Security Council at the heads-of-government level. He charges that they now believe the matter should again be turned over to an "ordinary session" of the Security Council which, according to Khrushchev, "has long been occupied with a discussion of the situation in Lebanon and Jordan and so far has not decided anything."

Khrushchev continues his effort to create a sense of extreme urgency by again referring to the "extraordinarily serious situation" which has developed in the Middle East and alleges that Western tactics are to bog down negotiations in a "labyrinth of endless discussion about the form and procedure of the meeting" so as to give time for extension of Western intervention to Iraq.

The sharply worded charges of Western procrastination and duplicity in negotiating and the pose of Soviet unconcern for procedural details once an immediate conference is agreed upon are designed to place the West on the defensive regarding time, place, and composition of the projected conference and, in case a conference fails to materialize, to place the onus on the West. Unlike the 23 July notes, the latest Soviet communication does not mention the "natural" participation of the Arab states.

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Shah Fears Effect of Iraqi Regime on Iran

The Shah of Iran, who has always been unusually suspicious of subordinates, is probably extremely concerned that the successful coup in Iraq will encourage ambitious men in his entourage to associate with dissatisfied groups to force either his removal or a serious limitation of his powers. The recent placing of tanks, antitank weapons, artillery, and additional troops around Saadabad Palace is being regarded by Iranian military men as a sign of fear and weakness on the part of the Shah. Indications that he is primarily concerned about his own safety will probably have an adverse effect on the morale of the army, on which he relies heavily to preserve his regime.

Moslem religious leaders have long chafed under the Shah's Westernization program and anticlericalism. Security elements are taking steps to reduce and control the religious activities of the Muharram period, from mid-July to mid-August, during which religious fanaticism is high.

Reports show increasing fear on the part of the Iranian Government that Kurdish nationalist activity promoted by the USSR, Egypt, and Iraq will subvert the 500,000 Iranian Kurds. Iran is counterattacking by using propaganda and agents to convince Kurds in Iran and Iraq that they are an Aryan people having nothing in common with Arabs, who are using them to advance Arab imperialism.

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Left-wing Party Wins Singapore By-election

The victory of the Communist-influenced **People's Action party (PAP)** in the Singapore city council by-election on 26 July is further evidence of a growing left-wing trend in Singapore and may foreshadow leftist control of the government when internal self-rule begins sometime next year. The **PAP** appears to be in a strong position to sweep the elections to the rural district councils in September and those to the Legislative Assembly which will precede the institution of self-rule.

The **PAP** candidate won over the candidate supported jointly by the Labor Front and the Liberal Socialists, the two largest anti-Communist parties in Singapore. These parties form the nucleus of the embryonic United Socialist Front with which Chief Minister Lim Yew Hock hopes to stem the pro-Communist trend.

The victory of the **PAP** is all the more striking because a Malay candidate was able to win in a predominantly Chinese district against a Chinese candidate. The **PAP** now has 14 of 32 seats on the city council or enough, with the support often given it by smaller parties, to carry council votes on most issues.

Former Chief Minister David Marshall's Workers' party nominee ran a poor third. The loss of this seat by the party which won it only last December tends to confirm reports that the Communists have withdrawn their support from the Workers' party and now are supporting only the **PAP**.

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